# Second Regular Session Seventy-second General Assembly STATE OF COLORADO

## **INTRODUCED**

LLS NO. 20-0643.01 Esther van Mourik x4215

**HOUSE BILL 20-1341** 

### **HOUSE SPONSORSHIP**

Roberts and Rich, Valdez A.

### SENATE SPONSORSHIP

Fields and Sonnenberg, Story

# **House Committees**

#### **Senate Committees**

Finance

## A BILL FOR AN ACT

101 CONCERNING LONG-RANGE PLANNING OF CAPITAL CONSTRUCTION FOR 102 STATE INSTITUTIONS OF HIGHER EDUCATION.

## **Bill Summary**

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <a href="http://leg.colorado.gov/">http://leg.colorado.gov/</a>.)

Capital Development Committee. Current statute requires the Colorado commission on higher education (commission) to request annually from the governing board of each state institution of higher education (institution) a 2-year projection (projection) of capital construction projects to be undertaken by an institution that is estimated to require total project expenditures exceeding \$2 million if the capital

construction project is for new acquisitions of real property or new construction and funded solely from cash funds held by the institution or the project is funded through the higher education revenue bond intercept program, or exceeding \$10 million if the project is not for new acquisitions of real property or new construction and is funded solely from cash funds held by the institution.

The bill adjusts the law to current practice and instead requires the projection to be reviewed at the commission's next available meeting and repeals the requirement that an institution amend the projection prior to commencing a project if the project is not in the institution's most recent projection.

The bill repeals the requirement that the commission annually prepare a unified, 2-year report for capital construction or capital renewal projects acquired or constructed and operated and maintained solely from cash funds held by the institution that are not for new acquisitions of real property or new construction and are estimated to require total project expenditures exceeding \$10 million.

The bill repeals the requirement that the commission annually prepare a unified, 2-year report for capital construction projects for new acquisitions of real property or for new construction, estimated to require total project expenditures exceeding \$2 million.

Current law requires the capital development committee (CDC) to review the projections at a hearing but does not specify what to do when the legislature is not in session. The bill clarifies deadlines for when such hearings must be held. The bill also requires each state institution of higher education, for informational purposes only, to annually present its current projections at the capital development committee's December hearings.

Current law requires the CDC to have a hearing regarding projections whenever a projection is amended. The bill repeals this requirement.

Current law specifies that the CDC is required to review and approve guidelines prepared by the office of the state architect regarding the classification of facilities as academic facilities or auxiliary facilities. The bill repeals this requirement.

- Be it enacted by the General Assembly of the State of Colorado:
- 2 SECTION 1. In Colorado Revised Statutes, 23-1-106, amend
- 3 (6)(b), (7)(c), (9)(a), (9)(b), and (10.2)(b)(I) introductory portion; and
- 4 **repeal** (9)(e) as follows:

1

5 **23-1-106.** Duties and powers of the commission with respect

-2- HB20-1341

to capital construction and long-range planning - legislative **declaration - report - definitions.** (6) (b) The commission shall <del>request</del> annually from the governing board of each state institution of higher education a REVIEW, AT ITS NEXT AVAILABLE MEETING, ANY two-year projection of capital construction projects SUBMITTED BY A STATE INSTITUTION OF HIGHER EDUCATION to be undertaken pursuant to subsection (9) of this section and estimated to require total project expenditures exceeding two million dollars if the capital construction project is for new acquisitions of real property or new construction and funded solely from cash funds held by the institution or the project is funded through the higher education revenue bond intercept program established pursuant to section 23-5-139, or exceeding ten million dollars if the project is not for new acquisitions of real property or new construction and is funded solely from cash funds held by the institution. The projection must include the estimated cost, the method of funding, and a schedule for project completion for each project. A state institution of higher education shall amend the projection prior to commencing a project that is not included in the institution's most recent projection. (7) (c) (I) (A) The commission annually shall prepare a unified,

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

(7) (c) (I) (A) The commission annually shall prepare a unified, two-year report for capital construction or capital renewal projects described in subsection (9) of this section that are not for new acquisitions of real property or new construction and are estimated to require total project expenditures exceeding ten million dollars, coordinated with education plans. The commission shall transmit the report to the office of state planning and budgeting, the governor, the capital development committee, and the joint budget committee, consistent with the executive budget timetable.

-3- HB20-1341

(B) The commission annually shall prepare a unified, two-year report for capital construction projects for new acquisitions of real property or for new construction, estimated to require total project expenditures exceeding two million dollars, coordinated with education plans. The commission shall transmit the report to the office of state planning and budgeting, the governor, the capital development committee, and the joint budget committee, consistent with the executive budget timetable.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

(II) (A) The commission shall submit the two-year projections prepared by each A state institution of higher education for each two-year period to the office of state planning and budgeting and the capital development committee. The capital development committee shall conduct a hearing in each regular legislative session on the projections WITHIN THIRTY DAYS AFTER SUBMISSION DURING A REGULAR LEGISLATIVE SESSION OF THE GENERAL ASSEMBLY OR WITHIN FORTY-FIVE DAYS AFTER SUBMISSION DURING ANY PERIOD THAT THE GENERAL ASSEMBLY IS NOT IN REGULAR LEGISLATIVE SESSION and either approve the projections or return the projections to the state institution of higher education for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each projection. IN ADDITION, FOR INFORMATIONAL PURPOSES ONLY, EACH STATE INSTITUTION OF HIGHER EDUCATION SHALL ANNUALLY PRESENT ITS CURRENT PROJECTIONS AT THE CAPITAL DEVELOPMENT COMMITTEE'S DECEMBER HEARINGS.

(B) A state institution of higher education may submit to the staff of the capital development committee, the commission, and the office of state planning and budgeting an amendment to its approved two-year

-4- HB20-1341

on the amendment within thirty days after submission during a regular legislative session of the general assembly or within forty-five days after submission during any period that the general assembly is not in regular legislative session. The capital development committee shall either approve the projections or return the projections to the state institution of higher education for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each amendment.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

(9) (a) Except as provided in paragraph (d) of this subsection (9) SUBSECTION (9)(d) OF THIS SECTION, a capital construction or capital renewal project for an auxiliary facility initiated by the governing board of a state institution of higher education that is contained in the most recent two-year projection approved pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section, as the projection may be amended from time to time HAS BEEN APPROVED BY THE CAPITAL DEVELOPMENT COMMITTEE AS PART OF A TWO-YEAR PROJECTION WITHIN THE LAST TWO CALENDAR YEARS, and that is to be acquired or constructed and operated and maintained solely from cash funds held by the institution is not subject to additional review or approval by the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee; except that, if the capital construction or capital renewal project for an auxiliary facility is to be acquired or constructed in whole or in part using moneys subject to the higher education revenue bond intercept program established pursuant to section 23-5-139, then the governing board of a state institution of higher education must obtain approval from the general assembly as

-5- HB20-1341

specified in that section.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

(b) Except as provided in paragraph (d) of this subsection (9) SUBSECTION (9)(d) OF THIS SECTION, a capital construction or capital renewal project for an academic facility initiated by the governing board of a state institution of higher education that is contained in the most recent two-year projection approved pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section, as the projection may be amended from time to time HAS BEEN APPROVED BY THE CAPITAL DEVELOPMENT COMMITTEE AS PART OF A TWO-YEAR PROJECTION WITHIN THE LAST TWO CALENDAR YEARS, and that is to be acquired or constructed solely from cash funds held by the institution and operated and maintained from such funds or from state moneys appropriated for such purpose, or both, is not subject to additional review or approval by the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee; except that, if the capital construction or capital renewal project for an academic facility is to be acquired or constructed in whole or in part using moneys subject to the higher education revenue bond intercept program established pursuant to section 23-5-139, then the governing board of a state institution of higher education must obtain approval from the general assembly as specified in that section. Any capital construction or capital renewal project subject to this <del>paragraph (b)</del> SUBSECTION (9)(b) must comply with the high performance standard certification program established pursuant to section 24-30-1305.5. C.R.S.

(e) A capital construction or acquisition project approved and appropriated prior to January 1, 2010, may be contained in the most recent unified two-year capital improvements project projection approved

-6- HB20-1341

pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section. The projection may be amended from time to time and is not subject to additional review or approval by the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee.

(10.2) (b) (I) The general assembly hereby finds, determines, and declares that the classification of facilities as academic facilities or auxiliary facilities can be difficult, and such classifications often change as academic needs, student needs, and new construction and design practices emerge. Therefore, the office of the state architect, in collaboration with the department of higher education and the office of state planning and budgeting, shall develop guidelines in order to assist such classification. The guidelines shall be annually reviewed and approved by the capital development committee. The guidelines must address the following two factors that have historically been considered when classifying academic facilities and auxiliary facilities:

SECTION 2. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

-7- HB20-1341